

Message Text

LIMITED OFFICIAL USE

PAGE 01 SEOUL 04003 140233Z

ACTION EA-09

INFO OCT-01 ISO-00 MC-02 EB-07 L-03 CIAE-00 SS-15

INR-07 /044 W

-----140234Z 120998 /64

P 140213Z MAY 77

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC PRIORITY 3882

LIMITED OFFICIAL USE SEOUL 4003

E.O. 11652: N/A

TAGS: MASS, KS, US

SUBJECT: COMMISSIONS ON ARMS SALES

REF: STATE 099457 (022346Z MAY 77)

1. ONLY ROKG CONSTRAINT ON AGENT FEES OF WHICH EMBASSY IS AWARE IS MINISTRY OF NATIONAL DEFENSE REGULATION WHICH PROHIBITS PAYMENT OF COMMISSIONS RELATING TO DEFENSE CONTRACTS. APPLICATION VARIES FROM CASE TO CASE HOWEVER, AND APPEARS TO BE LOOSER IN REGARD TO CONTRACTS WITH DEFENSE PROCUREMENT AGENCY AND INDIVIDUAL SERVICES, AS COMPARED TO THOSE WITH MND ITSELF. OFFICE OF SUPPLY, REPUBLIC OF KOREA, WHICH DOES PURCHASING FOR MOST CIVILIAN AGENCIES (AND AT TIMES FOR SERVICES AS WELL) DOES NOT APPEAR TO HAVE THIS RESTRICTION.

2. SINCE FEBRUARY 1977 MND HAS SOUGHT TO HAVE INCORPORATED IN ALL CONTRACTS IT SIGNS THE FOLLOWING STATEMENT: BEGIN QUOTE IN CONNECTION WITH THE REFERENCED PROGRAM-----
COMPANY CERTIFIES THAT THE COMPANY HAS WORKED DIRECTLY WITH MINISTRY OF NATIONAL DEFENSE AND WILL CONTINUE ACCORDINGLY. FURTHER,-----COMPANY WILL NOT UTILIZE THE SERVICES OF ANY REPRESENTATIVE WITH REGARD TO THE REFERENCE PROGRAM. THE COMPANY ADDITIONALLY CERTIFIES THAT IT HAS NOT AND WILL NOT PAY A COMMISSION TO ANY
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INTERMEDIARY OR REPRESENTATIVE IN CONNECTION WITH THIS PROGRAM. END QUOTE.

3. IN PRACTICE, MOST COMPANIES APPEAR TO HAVE BEEN ABLE TO NEGOTIATE CHANGES IN ACTUAL WORDING TO FIT SPECIFICS. FOR EXAMPLE IN CASE WHERE COMPANY HAS AN ESTABLISHED AGENT, IT MAY BE POSSIBLE TO USE STATEMENT TO EFFECT THAT QUOTE NO

AGENT HAS BEEN EMPLOYED EXCEPT FOR-----COMPANY,
ESTABLISHED REPRESENTATIVE FOR-----COMPANY. END QUOTE.
AT TIMES MND OR SERVICES HAVE AGREED TO OMIT STATEMENT THAT
NO COMMISSION PAID OR TO LIMIT IT TO LESS SWEEPING TERMS.
QUESTION OF FINITE LIMITS IN SUCH CASES IS, TO OUR KNOWLEDGE,
NOT ADDRESSED. BASIC REQUIREMENT APPEARS TO BE FOR SOME
LANGUAGE TAKING COGNIZANCE OF MND REGULATION BUT EXTENT OF
MND FLEXIBILITY HARD TO PREDICT.
SNEIDER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, MILITARY SALES, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SEOUL04003
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770170-0181
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770558/aaaabxtw.tel
Line Count: 71
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f844d593-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 99457
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2522770
Secure: OPEN
Status: NATIVE
Subject: COMMISSIONS ON ARMS SALES
TAGS: MASS, KS, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/f844d593-c288-dd11-92da-001cc4696bcc
Review Markings:
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